

## Message Text

UNCLASSIFIED

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17

ACTION XMB-04

INFO OCT-01 EA-09 ISO-00 CIAE-00 COME-00 DODE-00 DOTE-00

EB-07 FMC-02 INR-07 NSAE-00 CG-00 OFA-01 DLOS-04 /035 W

----- 101278

P R 030820Z MAR 76

FM AMEMBASSY JAKARTA

TO SECSTATE WASHDC PRIORITY 3010

INFO AMCONSUL MEDAN

AMCONSUL SURABAYA

UNCLAS JAKARTA 2910

STATE PASS EXIM

E.O. 11652: N/A

TAGS: EFIN, ID

SUBJ: EXIM POLICY ON FINANCING OF SHIPPING COSTS

REF: (A) STATE 229221 (B) JAKARTA 553

1. MINISTER OF COMMUNICATIONS SALIM TOLD ME MARCH 3 THAT FOLLOWING AWARD OF IBRD FUNDED TENDER TO GE, GOI WOULD LIKE TO PLACE FOLLOW-ON ORDER REFERRED REF (B) FOR ANOTHER 21 GE LOCOMOTIVES WITH EXIM FINANCING -- PROVIDED THAT EXIM CREDIT WILL EXTEND TO COVER FREIGHT COSTS ON SHIPMENTS NOT CARRIED IN U.S. BOTTOMS (PURSUANT TO MARITIME ADMINISTRATION WAIVER). IF EXIM WOULD NOT RPT NOT FINANCE THESE FREIGHT CHARGES, SALIM ASKED ME TO LET HIM KNOW AND HE WOULD ORDER LOCOMOTIVES FROM GERMANY.

2. ON OCTOBER 2, 1975, I WROTE SALIM AS PER STATE 229221, TELLING HIM TRANSPORTATION COSTS ON FOREIGN VESSELS ARE NOT ELIGIBLE FOR EXIM FINANCING. HE HAS EITHER FORGOTTEN THIS OR IS ASKING FOR RECONSIDERATION. SINCE VERY LARGE ORDER IS AT STAKE, I HOPE SOME WAY AROUND THIS DIFFICULTY CAN BE FOUND. IF EXCEPTION CANNOT BE MADE TO EXIM RULE, PERHAPS IT CAN INCREASE ITS PARTICIPATION IN TOTAL PACKAGE, OR PERHAPS WAY CAN BE FOUND TO UTILIZE COMMERCIAL BANK FINANCING FOR FREIGHT WITHOUT  
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INCREASING BLENDED AVERAGE INTEREST RATE OF OVERALL

FINANCIAL PACKAGE.

3. WOULD APPRECIATE EXIM COMMENTS ASAP SO I CAN REPLY  
TO SALIM.  
NEWSOM

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NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** MARINE TRANSPORTATION, POLICIES, ROLLING STOCK, FREIGHT RATES, CREDIT AGREEMENTS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 03 MAR 1976  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** n/a  
**Disposition Approved on Date:**  
**Disposition Authority:** n/a  
**Disposition Case Number:** n/a  
**Disposition Comment:**  
**Disposition Date:** 01 JAN 1960  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1976JAKART02910  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Film Number:** D760080-0536  
**From:** JAKARTA  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1976/newtext/t197603100/aaaadkkv.tel  
**Line Count:** 66  
**Locator:** TEXT ON-LINE, ON MICROFILM  
**Office:** ACTION XMB  
**Original Classification:** UNCLASSIFIED  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 2  
**Previous Channel Indicators:** n/a  
**Previous Classification:** n/a  
**Previous Handling Restrictions:** n/a  
**Reference:** 76 STATE 229221, 76 JAKARTA 553  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** ShawDG  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 14 JUN 2004  
**Review Event:**  
**Review Exemptions:** n/a  
**Review History:** RELEASED <14 JUN 2004 by fisherem>; APPROVED <16 DEC 2004 by ShawDG>  
**Review Markings:**

Margaret P. Grafeld  
Declassified/Released  
US Department of State  
EO Systematic Review  
04 MAY 2006

**Review Media Identifier:**  
**Review Referrals:** n/a  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** EXIM POLICY ON FINANCING OF SHIPPING COSTS  
**TAGS:** EFIN, ID, US, XMB  
**To:** STATE  
**Type:** TE  
**Markings:** Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 04 MAY 2006